

# 1 General Information

Gateway Pipeline Inc., on behalf of the Gateway Pipeline Limited Partnership (Gateway) proposes to construct and operate an export oil pipeline and an import condensate pipeline between an inland terminal near Edmonton, Alberta and a marine terminal near Kitimat, British Columbia (Figure 1-1). Gateway also proposes to construct and operate marine infrastructure at tidewater to accommodate transfer of oil and condensate into and out of tankers, respectively. The marine infrastructure will be an integral component of the pipeline terminal near Kitimat. These activities are collectively referred to as the Enbridge Gateway Project (the Project).

This Preliminary Information Package (PIP):

- provides an overview of the Project, including a description of the proponent and the Project history and its benefits (Section 1.1)
- describes the regulatory approval process for the Project (Section 1.2)
- describes the Project's environmental setting, including the biophysical and human components (Section 2)
- describes the proposed facilities, including planned construction, operations and maintenance activities and Project economics (Section 3)
- provides an overview of consultation undertaken and planned (Section 4)
- provides a preliminary description of the scope of the assessment that will be completed for the Project pursuant to the requirements of the *National Energy Board Act* and the *Canadian Environmental Assessment Act (CEAA)* (Section 5)

## 1.1 Project Overview

### 1.1.1 Project Proponent

Gateway is a newly created organization established by Enbridge Inc. (Enbridge). Enbridge is one of the largest energy delivery companies in North America, with interests in liquid transmission pipelines, hydrocarbon transmission pipelines and natural gas transmission pipelines. Enbridge operates the longest and one of the most complex liquid hydrocarbon pipeline systems in the world, in addition to being Canada's largest gas distribution company. This experience has given Enbridge unique and extensive experience in developing, managing and optimizing both natural gas and liquids pipelines. Enbridge has developed industry-leading technology and skills in pipeline development and operations including:

- project design and execution
- hydrocarbon transportation
- commodity batching
- tankage

- pipeline maintenance
- supervisory control and data acquisition system (SCADA)
- leak detection and pipeline integrity management

### 1.1.2 Project Development

In 1998, Enbridge started an analysis of the need for, and feasibility of, a new pipeline to transport future oil sands production to existing and new markets. This analysis considered a pipeline originating in Alberta and terminating at a marine terminal on the west coast, allowing access to markets in the United States and other Pacific Rim countries. It also included a high-level comparative evaluation of potential pipeline route and marine terminal options. In 2002, this work was continued and it was concluded that there was a need for a new export oil pipeline.

Since then, Enbridge has furthered Project development through additional contacts with potential shippers in Canada and elsewhere. Among other things, a commercial need for a condensate pipeline to transport hydrocarbon, from a west coast terminal to markets in Alberta was identified.

The Project was developed to address these commercial needs. Gateway has begun a wide range of studies to support the advancement of the Project, including:

- collection of baseline data regarding the biophysical and human environment (Section 2)
- preliminary route selection and Project design (Section 3)
- regulatory, Aboriginal and stakeholder consultation (Section 4)

### 1.1.3 Project Benefits

The Project has an estimated capital cost of approximately \$4 billion (2005 Canadian dollars) and will generate substantial economic benefits at the local, regional, provincial and national levels.

Local and regional economic benefits will take the form of Project-related purchases of goods and services, employment opportunities and property taxes.

Annual property taxes in Alberta and British Columbia for the oil and condensate pipelines are estimated to total over \$25 million and, throughout the operations of the pipeline, there will be opportunity for employment and the local purchase of goods and services.

Preliminary estimates of employment (direct, indirect and induced) required during construction of the Project total over 49,000 person-years. Of this employment, about 45 percent would be in British Columbia, 40 percent would be in Alberta and the remaining 15 percent would be in the rest of Canada and overseas. Direct and indirect labour income associated with Project construction is estimated at about \$2.2 billion, with a similar distribution between British Columbia and Alberta. Local hiring is expected to be up to 15 percent.

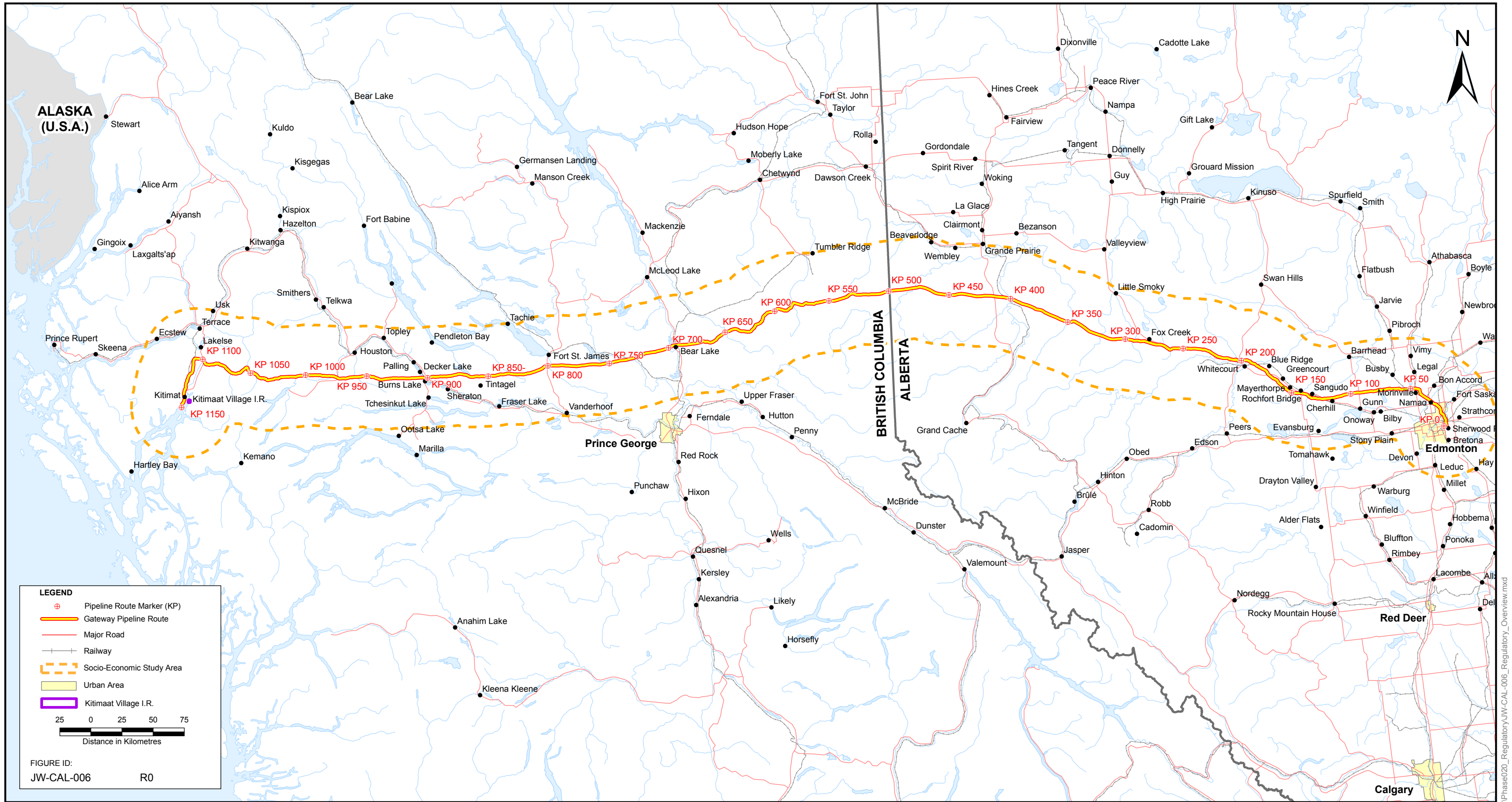


FIGURE NO.  
**1-1**

ENBRIDGE GATEWAY PROJECT - PRELIMINARY INFORMATION PACKAGE

# Overview of Pipeline Corridor

DRAFT DATE  
14/09/2005

REVISION DATE  
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Gross Domestic Product (GDP), at factor cost, for Project construction is estimated at about \$3.2 billion in Canada, of which approximately \$1.7 billion is expected to be retained in British Columbia and approximately \$1.5 billion in Alberta.

#### 1.1.4 Project Facilities and Location

The Project will include:

- an export oil pipeline
- an import condensate pipeline
- terminalling facilities
- integrated marine infrastructure at tidewater to accommodate loading and unloading oil and condensate tankers

A right-of-way (RoW), about 1150 km in length, will be constructed between the Edmonton area and the Gateway marine terminal near Kitimat. Both the oil and condensate pipelines will be located in this RoW.

About 500 km of the route will traverse private and Crown lands in Alberta, and the remaining 650 km will traverse primarily Crown lands in British Columbia. The RoW will originate in Alberta near Edmonton. From there, it will continue north to Morinville, then west and northwest past Mayorthorpe and Whitecourt to Fox Creek, generally following Highway 43 and the Alliance Pipeline RoW. From Fox Creek, the RoW will be routed across primarily Crown lands west of Highway 43, following existing RoWs, where feasible. The RoW will enter British Columbia southeast of Tumbler Ridge and continue west-southwest to Bear Lake. From Bear Lake, the RoW will be routed south of Fort St. James, across Highway 16 at Burns Lake and west, crossing Highway 37 north of Kitimat. From this point, the RoW will be routed south past Kitimat, along the west side of Kitimat Arm to the Gateway marine terminal north of Bish Cove.

A new terminal will be constructed near Kitimat. This terminal will include tankage for oil and condensate. The Gateway marine terminal will be on the northwest side of Kitimat Arm, just north of Bish Cove. This terminal will be set back some distance from the shoreline. However, the Gateway marine terminal will be integrally connected with marine infrastructure at tidewater for loading and unloading oil and condensate tankers.

Oil will be sourced from the Alberta oil sands region and delivered from the Edmonton area ultimately to markets around the Pacific Rim and in the western United States. Condensate likely will be received from a variety of supply locations worldwide. Once delivered to the Edmonton area, the condensate will be available for transport to sources of bitumen production for blending purposes.

## 1.2 Regulatory Setting

### 1.2.1 Federal Regulatory Framework

Because the pipeline corridor will cross provincial boundaries, it needs National Energy Board (NEB) approval, which is granted under a Certificate of Public Convenience and Necessity (CPCN) according to section 52 of the *NEB Act*<sup>1</sup>. The Governor-in-Council must authorize the NEB approval before it can be issued. As part of the CPCN process, the NEB will hold a public hearing for the Project.

Though Gateway has tried to parallel existing linear disturbances, a substantial portion of the pipeline route will be in a new RoW, which is in excess of the 75-km threshold for a comprehensive study report pursuant to *CEAA*.

The submission of this PIP will trigger the *Regulations Respecting the Coordination by Federal Authorities of Environmental Assessment Procedures and Requirements (Federal Coordination Regulations)* pursuant to the *CEAA*. Consequently, federal authorities will need to determine if they will require an environmental assessment pursuant to the *CEAA* (i.e., if they will be a responsible authority). Thereafter, the responsible authority may request the Minister of the Environment to refer the Project to a review panel. Alternatively, the Minister may refer the Project to a review panel.

The Project is subject to a comprehensive study level of assessment pursuant to the *Comprehensive Study List Regulations*. However, the Project could be referred to a review panel if:

- it is determined that the Project (considering the implementation of mitigation measures) might cause significant adverse environmental effects
- public concerns warrant such a reference

In addition to its duties as a Responsible Authority (RA) under the *CEAA*, the NEB also has an environmental protection mandate under the *NEB Act*. Therefore, an application for a CPCN must include an environmental and socio-economic assessment (ESA) prepared according to the NEB's *Filing Manual*. This manual has been designed to integrate the requirements of the *NEB Act* and the *CEAA*. The ESA will therefore include a detailed description of the Project, including:

- need for the Project
- early public notification and consultation
- site selection and routing information
- details regarding the effects of the project on the biophysical and human environment
- proposed mitigation measures
- contingency plans for dealing with environmental emergencies
- descriptions of any proposed inspection and monitoring programs

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<sup>1</sup> The *NEB Act* defines a pipeline as including connected facilities such as tanks, storage facilities and loading facilities. Therefore, the Kitimat terminal, including tankage and marine loading infrastructure, will be a part of the s52 application.

The likely scope of the assessment is described in Section 5.

In addition to the NEB, other federal departments might have legislative authority over some aspect of the Project, and these authorizations could also trigger the need for an ESA pursuant to *CEAA*. If there are two or more RAs, they are expected to coordinate their efforts to reduce delay and duplication of effort. Other RAs might include:

- Fisheries and Oceans Canada for authorizations under the *Fisheries Act*
- Transport Canada (including the Canadian Coast Guard) for permits under the *Navigable Waters Protection Act*
- Environment Canada for permits under the *Canadian Environmental Protection Act*
- Indian and Northern Affairs Canada, if RoW is required across reserve lands

The RA(s) or joint review panel might request other Federal Authorities (FAs) provide expert opinion during the Project review. Typically, these authorities have status as interveners in the process, presenting their concerns and experience for consideration by the RA(s) or joint review panel. The FAs might include:

- Health Canada
- Natural Resources Canada

The NEB must determine whether to issue a CPCN approving the general route. The applicant then starts the second stage of the pipeline approval process, which involves identifying the detailed route. The applicant must file Plans, Profiles and Books of Reference (PPBoR) with the NEB, which will detail the specific location of the pipeline.

For a partial list of potential federal authorizations, see Table 1-1.

**Table 1-1 Partial List of Federal Authorizations**

Agency	Permit or Authority	Agency Action
National Energy Board (NEB)	<i>National Energy Board Act</i> Certificate of Public Convenience and Necessity (CPCN) (s52)	Holds public hearing to consider relevant matters and chooses whether to issue a CPCN
	<i>NEB Act</i> – detailed route approval (s33)	Reviews (including public hearings) and approves or rejects detailed pipeline route
	<i>NEB Act</i> - leave to open pipeline (s47)	Grants or denies approval to begin operating the pipeline
Fisheries and Oceans Canada	<i>Fisheries Act</i> authorizations (s32, s35(2) and s36(4))	<ul style="list-style-type: none"> <li>• Issues authorizations, if needed, for changes to fish habitat or deposit of deleterious substance</li> <li>• Undertakes technical review of stream crossings and marine structures</li> </ul>

**Table 1-1 Partial List of Federal Authorizations (cont'd)**

Agency	Permit or Authority	Agency Action
Transport Canada	<i>Navigable Waters Protection Act (s5(1))</i>	Issues permits for structures on, over, under, through or across water (e.g., marine terminal infrastructure).
Environment Canada	<i>Canadian Environmental Protection Act</i>	Issues Ocean Disposal Permit if dredging and marine disposal is required for construction or maintenance of marine terminal infrastructure
Natural Resources Canada	<i>Explosives Act - Permit</i>	Issues permits for temporary storage of explosives during construction

## 1.2.2 Provincial Regulatory Framework

### 1.2.2.1 Provincial Environmental Assessment Requirements

The Project is federally regulated and, therefore, isn't expected to trigger the provincial environmental assessment processes in Alberta and British Columbia. Either province may choose to participate in the federal environmental assessment or regulatory processes in an advisory capacity or as an active participant.

### 1.2.2.2 Provincial Permitting Requirements

Although a federally regulated Project, a number of authorizations for ancillary Project activities will be voluntarily sought under provincial legislation. These will be sought following receipt of approval from the NEB and either before or during construction.

## 1.2.3 Review Process

Although extensive public consultation and Aboriginal engagement programs are underway, Gateway considers the diversity of topics and interests along the pipeline route and in the marine terminal area such that a review panel process will be required. In recognition of this, and for regulatory efficiency, Gateway respectfully suggests that the Project be immediately referred to a review panel and, further, that the Minister of Environment enter into an agreement with the NEB to establish a joint review panel pursuant to subsection 40(2) of the *CEAA*. To avoid duplication, Gateway suggests that a single panel be appointed to act as a joint review panel (for the purpose of the *CEAA*) and as a public hearing panel (to consider the NEB application). It is considered that an immediate reference to a joint review panel (JRP) established by agreement between the Minister and the NEB will lead to an efficient regulatory review process on par with the level of public interest anticipated for the Project.

Assuming these suggestions are followed, the review process for the Project would include the following steps:

1. The Minister refers the Project to a review panel.
2. The Minister and the NEB reach an agreement to establish a JRP.
3. The agreement fixes the Terms of Reference for the JRP, including the scope of the assessment.



4. The NEB filing requirements and the proposed marine scope of work provided (Appendix C) replaces the need for JRP development of Project-specific ESA guidelines.
5. The Gateway JRP reviews the application for completeness for the public hearing and solicits input from the public.
6. The Gateway JRP files evidence and interventions and makes information requests and responses.
7. The Gateway JRP holds a public hearing.
8. The Gateway JRP prepares its report.
9. The NEB issues a decision pursuant to the *NEB Act*.
10. Other RAs make decisions when required.

#### 1.2.4 Integration with the TERMPOL Review Process

The TERMPOL Code is a set of “Recommended Standards for the Safety and Prevention of Pollution for Marine Transportation Systems and Related Assessment Procedures,” the focus of which is marine transportation safety and pollution prevention. The purpose of the TERMPOL Review Process (TRP) is to identify and evaluate marine vessel movements and marine terminal operations that could prevent vessels from being safely moved or operated and that could affect the environment near marine vessels and marine terminal facilities. TRP results are used to inform Transport Canada and the marine terminal operator of the measures they should undertake to address marine transportation safety and pollution prevention. The TRP can be beneficial in ensuring that all requirements related to shipping are addressed.

The TRP applies to:

- proposed ship operations
- proposed marine terminal systems and facilities for handling bulk oil and other cargoes identified by Transport Canada
- waterways associated with these marine terminals, including selected routes in Canadian waters
- proposed changes to existing terminals that handle bulk oil and other cargoes identified by Transport Canada

A TERMPOL proposal must consider, but may not necessarily be limited to:

- potential effects of increased shipping on existing regional shipping patterns and fishing activity
- navigational safety along the shipping route(s) to the proposed new marine terminal
- services for safe navigation, such as fixed and floating aids, vessel traffic services, offshore electronic position fixing systems and pilotage and radio communication requirements
- suitability of the “design ship”

- safety aspects of manoeuvring characteristics, navigational and radio communications equipment and cargo containment and handling systems of the “design ship”
- berth adequacy and related marine terminal services
- pollution prevention programs
- marine contingency plans and related response measures
- environmental concerns associated with the cargoes carried by the additional ships
- risks to communities along the shipping route from ships carrying commodities considered to pose public health or safety concerns (but not limited to such commodities)

A TERMPOL proposal requires more documentation than is typically required for an ESA, such as:

- port facilities
- navigational aids and navigational manoeuvres
- vessel traffic control and exclusion zones
- charting of vessel traffic routes
- specific vessel design information for those vessels visiting the terminal
- books of record and audit procedures

A TERMPOL proposal also requires other detail that would not be available this early in the Project design.

Outcome of the TERMPOL process are commitments by Transport Canada to upgrade navigational safety infrastructure so as to safeguard the passage of all vessels in the area, whether they are Project-related or not.

Therefore, given the nature of the information required, the TRP is typically started after the ESA process has been completed and is completed before marine terminal operations.

Gateway recognizes there will be a measure of public concern regarding tanker traffic and has already started the TRP so the appropriate regulators will address the Project’s proposed measures for safe operation of the marine terminal infrastructure and the incremental tanker traffic. Transport Canada has identified a chair and co-chair for a TERMPOL Review Committee (TRC), which will include representatives from departments and agencies with expertise and responsibilities related to the activity. The TRC will provide direction to the proponent on the required studies and surveys, available data sources, communication requirements and schedules.

Work to complete the TERMPOL submission and TRP will occur during and after the review process (Section 1.2.3), while detailed design and engineering of the marine terminal continues. It is expected that environmental effects of operations of the marine terminal infrastructure and of certain aspects of tanker traffic will be addressed in the ESA. Specific details regarding ship design and navigation safety will be determined through the TRP. Although the TRP is not expected to be completed until after the application filing in 2006, Gateway intends to acknowledge the TRP, consider relevant findings and recommendations in the

ESA (to the extent these are available at the time of filing) and respect the pertinent recommendations of the TRP for matters in their direct control during Project operation. The full TRP will be completed before operation of the marine terminal commences.

### 1.3 Preliminary Information Package

#### 1.3.1 Purpose

The purpose of this Preliminary Information Package (PIP) is to start and facilitate an efficient regulatory review of the Project. The submission of this PIP will trigger the *Federal Coordination Regulations* pursuant to the *CEAA* (Section 1.2.3). This PIP has been prepared to provide federal authorities with enough information about the Project to enable them to determine their role in the environmental assessment process pursuant to the *CEAA*. This PIP will also enable other interested parties to determine whether they wish to participate in the Project's regulatory review.

#### 1.3.2 Distribution

This PIP is being distributed to:

- federal authorities likely to be RAs pursuant to the *CEAA*
- the Canadian Environmental Assessment Agency, recognizing their likely role in a joint review panel process (Section 1.2.3)
- the British Columbia Environmental Assessment Office and Alberta Environment

To facilitate coordination among the federal (and provincial) authorities, direct recipients of this PIP are listed in Table 1-2. An electronic version of the PIP will be posted on the Project website. The PIP is also available on request.

**Table 1-2 Federal and Provincial Authorities Receiving the PIP**

Agency	Contact Information
National Energy Board	Michel Mantha Secretary of the Board National Energy Board 444 Seventh Avenue SW Calgary, Alberta T2P 0X8
Fisheries and Oceans Canada	Paul Sprout Regional Director General - Pacific Fisheries and Oceans Canada Suite 200 401 Burrard Street Vancouver, British Columbia V6C 3S4

**Table 1-2 Federal and Provincial Authorities Receiving the PIP (cont'd)**

Agency	Contact Information
Fisheries and Oceans Canada (cont'd)	Dr. John M. Cooley Regional Director General - Central and Arctic Region Fisheries and Oceans Canada 201 Front Street North, Suite 703 Sarnia, Ontario N7T 8B1
	Andrew Stewart Environmental Assessment Analyst Habitat Management 200 Kent Street Suite 12N173 Ottawa, Ontario K1A 0E6
Transport Canada	Mike A. Henderson Regional Director General - Pacific Transport Canada 800 Burrard Street Vancouver, British Columbia V6Z 2J8
	David W Murray Regional Director General - Prairie and Northern Transport Canada 344 Edmonton St. Winnipeg, Manitoba R3C 0P6
Environment Canada	Don Fast Regional Director General - Pacific and Yukon Region Environment Canada 201-401 Burrard Street Vancouver, British Columbia V6C 3S5
	Jim Vollmershausen Regional Director General - Prairie and Northern Region Environment Canada 4999-98th Avenue, Room 200 Edmonton, Alberta T6B 2X3
Canadian Environmental Assessment Agency	Bruce Young Director Canadian Environmental Assessment Agency Place Bell Canada 160 Elgin Street, 22nd Floor Ottawa, Ontario K1A 0H3
	Jason Quigley Regional Director - Pacific and Northern Regional Office Canadian Environmental Assessment Agency Suite 320, Sinclair Centre 757 Hastings Street West Vancouver, British Columbia V6C 1A1

**Table 1-2 Federal and Provincial Authorities Receiving the PIP (cont'd)**

Agency	Contact Information
Canadian Environmental Assessment Agency (cont'd)	Lanny Coulson Director - Alberta Regional Office Canadian Environmental Assessment Agency Suite 100, Revillon Building 10237-104 Street Edmonton, Alberta T5J 1B1
Alberta Environment	Bob Stone Director, Environmental Monitoring and Evaluation Branch 11th Floor Oxbridge Place 9820 - 106 Street Edmonton, Alberta T5K 2J6
British Columbia Environmental Assessment Office	Joan Hesketh Associate Deputy Minister Environmental Assessment Office P.O. Box 9426 Victoria, British Columbia V8W 9V1
Indian and Northern Affairs	Mr. Roy Bird Acting Regional Director General Alberta Region Indian and Northern Affairs Canada 630 Canada Place 9700 Jasper Avenue Edmonton, Alberta T5J 4G2
	Ms. Jennifer Guscott Acting Regional Director General British Columbia Region Indian and Northern Affairs Canada Suite 600 1138 Melville Street Vancouver, British Columbia V6E 4S3

### 1.3.3 Contact Information

Tables 1-3 and 1-4 contain additional Project contact information.

**Table 1-3 Gateway Contact Information**

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<b>Project Website</b>	www.enbridge.com/gateway
<b>Project 1-888 #</b>	1-888-434-0533

**Table 1-4 Legal Contact Information**

<b>Name</b>	Richard Neufeld
<b>Position</b>	Project Counsel
<b>Organization</b>	Fraser Milner Casgrain LLP
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